



MIRABELA NICKEL LTD

ABN 23 108 161 593

NOTICE OF MEETING

AND

EXPLANATORY MEMORANDUM

AND

MANAGEMENT INFORMATION CIRCULAR

in respect of the

ANNUAL GENERAL MEETING OF SHAREHOLDERS

to be held on 27 May 2010

As at and dated 21 April 2010

IMPORTANT INFORMATION

This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**Meeting**") of holders of ordinary shares (the "**Shareholders**") of Mirabela Nickel Limited ABN 23 108 161 593 (the "**Company**") will be held at Level 31 Allendale Square, 77 St Georges Terrace, Perth 6000, Western Australia on May 27, 2010 at 11.00 am (Perth time) for the purpose of transacting the following business.

1. Financial Statements

To receive the audited financial statements of the Company for the financial year ended 31 December 2009, and the report of the auditors thereon.

2. Resolution 1 – Non Binding Resolution Adoption of Remuneration Report

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution** in accordance with section 250R(2) of the *Corporations Act 2001 (Cth)*:

"That the Remuneration Report in the 2009 Annual Report of the Company be adopted."

Note: The vote on this resolution is advisory only and does not bind the Directors or the Company.

3. Resolution 2 - Election of Colin Steyn as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Colin Steyn, who was appointed to fill a casual vacancy of the Board of directors, retires in accordance with Rule 7.3 of the Constitution of the Company, and being eligible, offers himself for election, is hereby elected as a Director of the Company."

4. Resolution 3 - Re-Election of Nicholas Sheard as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Nicholas Sheard who retires by rotation in accordance with Rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

5. Resolution 4 - Re-Election of Craig Burton as a Director

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Craig Burton who retires by rotation in accordance with Rule 7.3 of the Constitution of the Company, and being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

Shareholders are referred to the Explanatory Memorandum and Management Information Circular for more information with respect to the matters to be considered at the Meeting.

If you are a registered Shareholder of the Company and are unable to attend the Meeting in person, please date and execute the accompanying form of proxy and return it in accordance with its instructions in accordance with the following:

1. in respect of Shareholders registered on the Company's Australian share register, prior to 11.00 a.m. (Perth time) on 25 May 2010 by mail to Advanced Share Registry Ltd, PO Box 1156, Nedlands, Western Australia, 6909; or delivered to Advanced Share Registry Ltd, 150 Stirling Highway, Nedlands, Western Australia or by facsimile to Advanced Share Registry Ltd on +61 8 9389 7871.
2. in respect of Shareholders registered on the Company's Canadian register, not later than 48 hours prior to the Meeting by mail to Equity Transfer & Trust Company, attention Proxy Department, at 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1 or by facsimile at +1 416 595-9593.

If you are a beneficial Shareholder of the Company and receive these materials through your broker or through another intermediary, please complete and return the form of proxy in accordance with the instructions provided to you, by your broker, or by the other intermediary.

The directors of the Company have fixed 27 April 2010, as the record date for Shareholders that are entitled to receive notice of the Meeting and 5.00pm (Perth time) 25 May 2010, as the record date for Shareholders entitled to vote at the Meeting.

By Order of the Board of Directors

Mr Chris Els
Company Secretary

Dated: 21 April 2010



ABN 23 108 161 593

EXPLANATORY MEMORANDUM AND MANAGEMENT INFORMATION CIRCULAR

This Explanatory Memorandum and Management Information Circular is furnished in connection with the solicitation of proxies by Mirabela Nickel Limited ("**Mirabela**" or the "**Company**") for use at the annual general meeting of the holders of the ordinary shares (the "**Shares**") of the Company (the "**Shareholders**") to be held on 27 May 2010 at 11.00 a.m. (Perth time), and any adjournment thereof (the "**Meeting**"), at the place and for the purposes set forth in the accompanying Notice of Meeting.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the matters set forth in the notice of meeting attached hereto (the "**Notice**") for approval at the Meeting. The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision regarding the matters set forth in the Notice.

Financial Statements and Reports

To the extent required by law, the Company's audited financial statements for the financial year ended 31 December 2009, together with the report of the auditor thereon, have been mailed to the Shareholders, together with this Explanatory Memorandum and Management Information Circular.

Resolution 1 - Adoption of Remuneration Report

Pursuant to section 250R(2) of the Australian *Corporations Act 2001 (Cth)* (the "**Corporations Act**"), the Company submits to Shareholders for consideration and adoption, by way of a non-binding resolution, its remuneration report for the year ended 31 December 2009 (the "**Remuneration Report**"). The Remuneration Report is a distinct section of the annual directors' report (the "**Directors' Report**") which deals with the remuneration of directors and executives of the Company. More particularly, the Remuneration Report can be found within the Directors' Report in the Company's 2009 annual report for the six months ended 31 December 2009 ("**Annual Report**")¹.

By way of summary, the Remuneration Report:

- (a) explains the Company's remuneration policy and the process for determining the remuneration of its directors and executive officers;
- (b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- (c) sets out the remuneration details for each director and executive officer named in the Remuneration Report for the financial year ended 31 December 2009.

The Directors recommend that Shareholders vote in favour of the adoption of the Remuneration Report. As previously stated, the vote on the adoption of this resolution is advisory only and does not bind the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company in the future.

The Chair of the Meeting will provide Shareholders with reasonable opportunity to ask questions about, or to make comments on, the Remuneration Report.

¹ As the Company has changed its financial year end, the Annual Report for 2009 will be for a period from 1 July 2009 to 31 December 2009.



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Resolution 2 - Election of Colin Steyn as a Director

Mr Steyn was originally appointed to fill a casual vacancy as a director on 29 October 2009. Pursuant to Rule 7.3 of the Company's Constitution Mr Steyn must retire from office as of the Meeting. However, being eligible, Mr Steyn offers himself for election.

Mr Colin Steyn - B.Com, MBA - Non-Executive Director

Mr Steyn has over 30 years experience in the resources sector with particular expertise in the development of integrated nickel mining operations. Mr Steyn was President and Chief Executive Officer of LionOre Mining International Limited ("LionOre") from 1999 to 2007, when it was acquired by Norilsk Nickel. Mr Steyn was one of the original founders of LionOre and was instrumental in its growth and development into a major international nickel producer. From 1996 to 2000, Mr Steyn was a director of Centachrome, a worldwide metals marketing organisation. From 1991 to 1996, Mr Steyn was Executive Director responsible for metallurgical operations in Zimbabwe for Rio Tinto Limited, where he started his career in 1979.

Resolution 3 - Re-Election of Nicholas Sheard as a Director

Pursuant to Rule 7.3 of the Company's Constitution Mr Sheard must retire from office as of the Meeting. However, being eligible, Mr Sheard offers himself for re-election.

Mr Nicholas Sheard - Fellow AIG, RP.Geo – Non-executive Director

Mr Sheard has a long history of involvement in nickel sulphide exploration and development. Until 2007, Mr Sheard was the Vice President of Exploration of CVRD Inco Limited ("Inco"), based in Toronto. At Inco, Mr Sheard managed an exploration team of 250 people with nine offices and 11 mines worldwide. Under Mr Sheard's leadership, the Inco team discovered the Reid Brook nickel sulphide deposit in Labrador, Canada. From 1990 to 2003, prior to joining Inco, Mr Sheard held various senior management positions with MIM Exploration Pty Ltd in Australia; including general manager of worldwide exploration and chief geophysicist. Mr Sheard is also Executive Chairman of Carpenteria Exploration Limited.

Mr Sheard last retired from office at the Company's general meeting in August 2007 but was re-elected as a Director at that meeting.

Resolution 4 - Re-Election of Craig Burton as a Director

Pursuant to Rule 7.3 of the Company's Constitution Mr Burton must retire from office as of the Meeting. However, being eligible, Mr Burton offers himself for re-election.

Mr Craig Burton - BJuris, LLB, MAICD – Executive Chairman

Mr Burton is an experienced and active investor in emerging projects and businesses, both public listed and private, with a focus on the base metals, oil and gas and mining industry. Mr Burton is a co-founder of two ASX 200 companies – Mirabela Nickel Limited and Panoramic Resources Limited. Mr Burton is also a Non-executive Director of Everyday Mining Services Limited, Capital Drilling Limited and Matra Petroleum plc.

Mr Burton was appointed Executive Chairman of the Company on 4 October 2009. Mr Burton last retired from office at the Company's annual general meeting in November 2007 but was re-elected as a Director at that meeting.

Director Information

The following table sets out the names of the nominees for election as a Director of the Company and each other person whose term of office as a Director will continue after the Meeting, the province or state and the country in which each is resident, all positions with the Company now held by each of them, their present principal occupation, business or employment and within the five preceding years, the period of time for which each has served as a Director of the Company, and the number of Shares of the Company or its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

Name and Residence ⁽¹⁾	Position with the Company	Principal Occupation or Employment ⁽¹⁾	Period as a Director of the Company	No. of Shares beneficially owned directly or indirectly ⁽¹⁾
Directors				
*CRAIG BURTON Perth, Western Australia	Director, Chairman of the Board	Principal, Verona Capital Pty Ltd. (1998 – present), a venture capital business that provides corporate and financial support to new projects, particularly in the natural resource sector.	Since March 5, 2004	6,400,000 ⁽²⁾
IAN PURDY Perth, Western Australia	Chief Executive Officer and Managing Director	Managing Director of Norilsk Nickel Australia (2007 – 2009); Director Finance & Strategy, LionOre Australia (2006-2007); Chief Financial Officer (2005) Henry Walker Eltin; Chief Financial Officer, Chemeq Limited, (2004 -2005).	Since November 1, 2009	Nil
BILL CLOUGH ⁽⁴⁾ Perth, Western Australia	Non-executive Director	Director, Serabi Mining plc (November 2007 – current); Chief Executive, Serabi Mining plc (1999 – Nov 2007), a mineral exploration and development company focused on gold deposits in Brazil; Director, Twinza Oil Ltd (October 2004 – present).	Since March 5, 2004	6,000,000 ⁽⁵⁾
JOSEPH HAMILTON ⁽³⁾ Orono, Ontario	Non-executive Director	President, Pickax International Corporation, a private company providing services to the mineral industry (June 2005 – present); Director and Interim co-CEO, Noront Resources Ltd., a mineral resource company (October 2008 – June 2009); Director and Chief Executive Officer, African Copper Plc, a mineral resource company (January 2007 – June 2008); Director and Chief Operating officer, African Copper Plc (2005 – 2006); Research Analyst, RBC Capital Markets, Global Mining Division, a broker-dealer (2003 – 2004).	Since March 26, 2007	55,000

Name and Residence ⁽¹⁾	Position with the Company	Principal Occupation or Employment ⁽¹⁾	Period as a Director of the Company	No. of Shares beneficially owned directly or indirectly ⁽¹⁾
*NICHOLAS SHEARD ⁽³⁾ Brisbane, Australia	Non-executive Director	Executive Chairman, Carpentaria Exploration Ltd, a base metal and gold exploration company (February 2007 – current); Vice President, Exploration, CVRD Inco Ltd (November 2003 – February 2007), a mineral exploration and development company.	Since March 20, 2007	Nil
*COLIN STEYN ⁽³⁾ London, United Kingdom	Non-executive Director	A natural resource focused investor with previous experience in developing and running mining companies, associate member of Lancaster Park SA (Jul 2007 – present); President and Chief Executive Officer of LionOre International Ltd (1999 – June 2007).	Since October 29, 2009	26,200,000 ⁽⁶⁾

Notes:

- (1) The information as to residence, principal occupation and shares beneficially owned is not within the knowledge of management of the Company and has been furnished by the respective individuals.
 - (2) 2,000,000 of the Shares held by Craig Burton are held by his spouse, Katrina Lee Burton.
 - (3) Member of the Audit Committee and Member of the Remuneration and Nomination Committee.
 - (4) Member of the Audit Committee.
 - (5) Shares are held by WM Clough Pty Ltd.
 - (6) Shares are held by Lancaster Park SA. Mr Steyn has a substantial beneficial interest in Lancaster Park SA.
- * Denotes candidates eligible for election as directors.

In accordance with the Company's Constitution, the directors of the Company shall be elected and shall retire in rotation, with one third of the directors (excluding the Managing Director and rounded down to the nearest whole number) subject to election at each annual general meeting of Shareholders held to elect directors. Also, any director appointed as a casual vacancy is required to retire at the next annual general meeting.

The Directors recommend that Shareholders vote in favour of the election of Messrs Steyn, Sheard and Burton.

Other Business

Management is not aware of any other business to come before the Meeting other than as set forth in the accompanying Notice. If any other business properly comes before the Meeting, it is the intention of the persons named in the form of proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

MANAGEMENT INFORMATION CIRCULAR

The Company is a “reporting issuer” in Canada. Accordingly, pursuant to the requirements of National Instrument 51-102 - *Continuous Disclosure Obligations* (“**NI 51-102**”) of the Canadian Securities Administrators, the following disclosure is required to be included with this Explanatory Memorandum.

Purpose of Solicitation

This Information Circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the Meeting of the Company. The Meeting will be held at Level 31 Allendale Square, 77 St Georges Terrace, Perth 6000, Western Australia, on Thursday, 27 May 2010 at 11.00 a.m. (Perth time), for the purposes set forth in the Notice accompanying this Explanatory Statement and Management Information Circular.

Solicitation of proxies will be primarily by mail but may also be by telephone, facsimile or in person by directors, officers and employees of the Company who will not be additionally compensated therefor. Brokers, nominees or other persons holding Shares in their names for others shall be reimbursed for their reasonable charges and expenses in forwarding proxies and proxy material to the beneficial owners of such Shares. The costs of soliciting proxies will be borne by the Company.

Appointment of Proxies by Registered Shareholders

Enclosed herewith is a form of proxy for use at the Meeting. **A Shareholder has the right to appoint up to two persons (who need not be Shareholders) to attend and act for the Shareholder and on the Shareholder’s behalf at the Meeting other than the person designated in the form of proxy and may exercise such right by inserting the full name of the desired person(s) in the blank space provide in the form of proxy.**

The proxy to be acted upon must be delivered: (a) in respect of Shareholders registered on the Company’s Australian share register, prior to 11.00 a.m. (Perth time) on 25 May 2010 by mail to Advanced Share Registry Ltd, PO Box 1156, Nedlands, Western Australia, 6909; or delivered to Advanced Share Registry Ltd, 150 Stirling Highway, Nedlands, Western Australia or by facsimile to Advanced Share Registry Ltd at +61 8 9389 787, (b) for Shareholders registered on the Company’s Canadian share register, not later than 48 hours prior to the Meeting by mail to Equity Transfer & Trust Company, attention Proxy Department, at 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1 or by facsimile at +1 416 595-9593.

Revocation of Proxies

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of the Corporations Act, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorised in writing and delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting of Proxies

The form of proxy accompanying this Explanatory Memorandum and Management Information Circular confers discretionary authority upon the proxy with respect to any amendments to the matters identified in the Notice of Meeting and any other matters that may properly come before the Meeting. At the time of printing this Management Information Circular, management knows of no such amendment, variation or other matter.

Shareholders must either mark the boxes directing its proxy how to vote or mark the box indicating that it does not wish to direct its proxy how to vote, otherwise the appointment of proxy form will be disregarded. If the Shareholder marks the box indicating that it does not wish to direct its proxy how to vote, the proxy may vote at his or her discretion. If the



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Shareholder marks the abstain box, it is directing its proxy not to vote on that item on a show of hands or on a poll and that its Shares are not to be counted in computing the required majority on that item.

Advice for Beneficial Holders

Shares may not be registered in the Shareholder's name but in the name of an intermediary (which is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates). **A non-registered Shareholder cannot be recognized at the Meeting for the purpose of voting his Shares unless such holder is appointed by the applicable intermediary as a proxyholder.**

The Company has distributed copies of the Meeting materials to intermediaries for distribution to non-registered Shareholders. Intermediaries are required to deliver these materials to all non-registered Shareholders of the Company who have not waived their rights to receive these materials, and to seek instructions as to how to vote the shares. Often, intermediaries will use a service company (such as Broadridge Financial Solutions Inc.) to forward these meeting materials to non-registered Shareholders.

Non-registered Shareholders who received meeting materials will be given a voting instruction form (a "VIF") which must be completed and signed by the non-registered Shareholder in accordance with the instructions noted on it. In this case, the mechanisms described above for registered Shareholders cannot be used and the instructions on the VIF **must** be followed (which in some cases may allow completion of the VIF by telephone or the Internet). The VIF is provided instead of a proxy. By returning the VIF in accordance with its instructions, a non-registered owner is able to instruct the registered Shareholder how to vote on behalf of the non-registered owner.

The purpose of these procedures is to allow non-registered Shareholders to direct the voting of the shares that they own but that are not registered in their name. Should a non-registered Shareholder wish to attend and vote at the Meeting in person (or have another person attend and vote on his behalf), the non-registered Shareholder should carefully follow the instructions provided on the VIF.

Proxies returned by intermediaries as "non-votes" because the intermediary has not received instructions from the non-registered Shareholder with respect to the voting of certain shares or, under applicable stock exchange or other rules, the intermediary does not have the discretion to vote those Shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having those Shares voted in respect of any such matter. Shares represented by such broker "non-votes" will, however, be counted in determining whether there is a quorum.

Voting Shares and Record Date

The authorized capital of the Company consists of an unlimited number of Shares of which as of 21 April 2010, a total of 367,098,825 Shares were issued and outstanding as fully paid. The Shares are the only shares of the Company entitled to be voted at the Meeting and subject to certain exclusions of votes described above, each Share is entitled to one vote at the Meeting.

The directors of the Company have set 27 April 2010 as the record date for determining the Shareholders of the Company entitled to receive the Notice of Meeting and 5.00 p.m. (Perth time) on 25 May 2010 as the record date for determining the Shareholders of the Company entitled to vote at the Meeting.

A simple majority of votes cast are required to approve all matters to be submitted to a vote of Shareholders at the Meeting.

Principal Holders of Shares

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all of the issued and outstanding Shares other than:

Name	Total Number of Shares	
	<u>Owned, Controlled or Directed</u>	<u>Percentage of Voting Shares</u>
Dundee Corporation	41,359,108	11.27%

Note:

- (1) 39,159,108 of the Shares are held as of record by Goodman & Company, Investment Counsel Ltd. and 2,200,000 of the Shares are held as of record by Dundee Resources Limited.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets out information in respect of the equity compensation plans under which equity securities of the Company are authorised for issuance, as at 31 December 2009.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	4,950,900	A\$5.30	NIL
Equity compensation plans not approved by securityholders	NIL	NIL	NIL
Total	4,950,900	A\$5.30	NIL

Indebtedness of Directors and Executive Officers

As at 21 April 2010, no executive officer, director, employee or former executive officer, director or employee of the Company or any subsidiary is indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, as at 21 April 2010 no executive officer, director, employee or former executive officer, director or employee of the Company is indebted to another entity where the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or a subsidiary.

No person who is a director or executive officer of the Company, or who was a director or executive officer of the Company at any time during the most recently completed financial year, any proposed nominee for election as a director or any associate of any such director, executive officer, or proposed nominee is, or at any time since the beginning of the most recently completed financial year of the Company has been indebted to the Company or any of its subsidiaries or to another entity if such indebtedness is or has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or a subsidiary.



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Statement of Executive Compensation

Named Executive Officers

As at 31 December 2009, the Company had seven "Named Executive Officers" ("NEOs"), in each case, as defined in NI 51-102: Ian Purdy, the Chief Executive Officer ("CEO") and Managing Director ("MD"), Nick Poll, the former CEO and MD, Chris Els, Chief Financial Officer ("CFO") and Company Secretary, Stephen Hills, the former CFO and Company Secretary, Raphael Bloise, Project Director, Mirabela Mineração Brasil do Ltda, David Chapman, the former Operations Manager, and Bryan Hyde, the Managing Director of the Santa Rita Project.

Compensation Discussion & Analysis

In October, 2007 the Company established a remuneration and nomination committee (the "**Remuneration Committee**" or the "**Remuneration and Nomination Committee**"). The Remuneration Committee is, in part, responsible for reviewing and making recommendations to the Board concerning the appointment, compensation, benefits and termination of executive officers and all other senior employees of the Company. The Remuneration Committee also makes recommendations for evaluating the effectiveness of the Board and makes recommendations concerning the composition and remuneration of the Board. The Remuneration Committee currently consists of four members: Mr Sheard, (Chairman), Mr Clough, Mr Hamilton and Mr Steyn.

Compensation levels for NEOs of the Company are set to attract and retain appropriately qualified and experienced executives, reward the achievement of strategic objectives, and create value for shareholders. From, time to time, the Company obtains independent advice on the appropriateness of compensation packages of the Company, given trends in comparative companies both locally and internationally, and the objectives of the Company's compensation strategy. In addition, to the advice of its consultant, if any, the following factors are considered in determining the compensation of each NEO:

- The capability and experience of the NEO.
- The NEO's ability to control performance.
- The amount of stock based incentives within the NEO's compensation.

Generally, compensation is provided by the Company to its NEOs as a combination of salary, stock-based grants and bonuses. It is the Company's view that competitive base compensation is integral to attracting and retaining talented executives.

Stock-based grants, such as stock options, are used to ensure that NEO's are motivated to maximize shareholder value by linking executive compensation to share price and rewarding those who make a long term contribution and commitment to the Company. The Company is currently reviewing its long term incentive scheme and expects to present a new performance based scheme to shareholders during the second quarter of 2010.

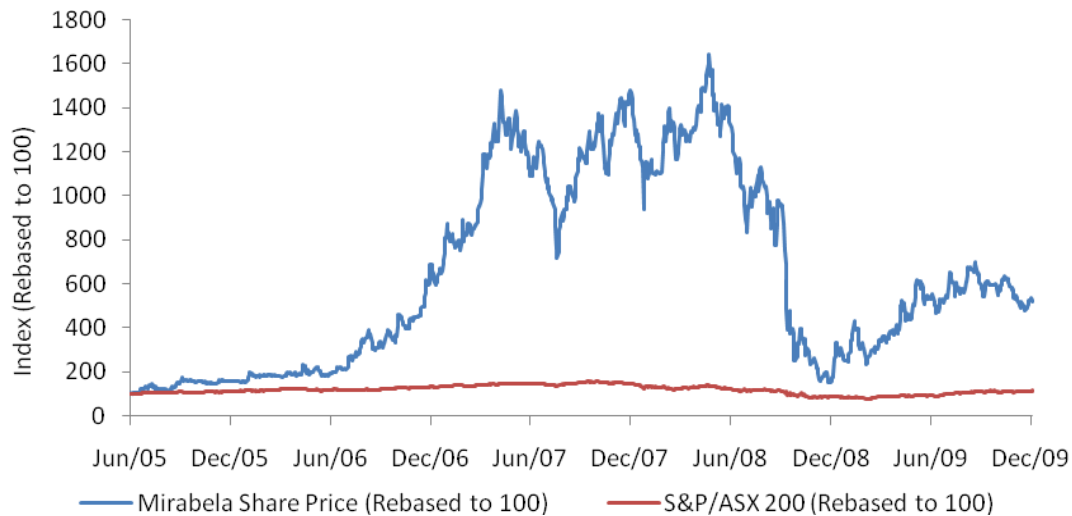
The total fixed remuneration of each NEO is determined upon an assessment of the NEO's responsibilities and role, previous performance and skill set. In addition, as stated above, consideration is given to the total fixed remuneration paid by comparable companies. Comparable companies include, but are not limited to companies with either similar market capitalisation and / or within the same industry, such as Western Areas NL, Panoramic Resources Ltd and Mincor Resources NL.

Bonuses are designed to reward NEOs for meeting or exceeding certain objectives. The Company's performance and the performance of the NEO during the period is considered in determining whether a bonus will be paid and if so, the amount of the bonus. For the year ended December 31, 2009, consideration was given to the recognition of the successful completion of construction, achievement of aggressive commission and ramp up targets, establishment of operational capability and the successful outcome of the Company's equity financing in December 2009.

There is no scheme to provide retirement benefits, other than statutory superannuation, to executive officers and non-executive Directors.

Performance Graph

The following graph compares, assuming an initial investment of \$100, the yearly percentage change in the Company's cumulative total shareholder return on its Shares against the cumulative total shareholder return of the S&P/ASX 200 Index for the Company's five most recently completed financial years.



	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	Dec 31, 2009
Mirabela Nickel Ltd	100	191.67	1,091.67	1,314.58	529.17	520.83
S&P/ ASX 200 Index	100	118.62	146.70	121.92	92.46	113.87

As previously stated, the value of the NEO's option-based compensation is linked to the performance of the Company's share price and as a consequence is directly aligned with shareholder wealth. This relationship is demonstrated by comparing the cumulative total shareholder return of \$100 invested in the Company's ordinary shares, with the cumulative shareholder return of the S&P/ASX200 over a similar period.

Option-Based Awards

Option-based awards are a component of both short term and long term incentive compensation. Options are issued to NEOs at the discretion of the Board, upon the recommendation of the Remuneration and Nomination Committee. Share options vest upon the optionee remaining employed by the Company for a specified period of time and, in respect of grants to NEOs, upon the Company and/or the individual attaining certain milestones. Previous grants of option-based awards are taken into account when considering new grants.

Summary Compensation Table

The following table and the notes thereto summarize the compensation of the NEOs.

Name and Principal Position	Year	Salary	Share-based Awards	Option-based Awards	Non-equity Incentive Plan Compensation		Pension Value ⁽¹⁾	All Other Compensation	Total Compensation
					Annual incentive plans	Long-term incentive plans			
		(A\$)	(A\$)	(A\$)	(A\$)	(A\$)	(A\$)	(A\$)	(A\$)
Nick Poll Former CEO and MD	December 2009 ⁽²⁾	243,130	NIL	NIL	NIL	NIL	21,882	238,179	503,191
	June 2009 ⁽³⁾	450,000	NIL	NIL	225,000	NIL	NIL	NIL	675,000
Ian Purdy ⁽⁴⁾ CEO and MD	December 2009 ⁽²⁾	100,290	NIL	NIL	NIL	NIL	4,167	NIL	104,457
	June 2009 ⁽³⁾	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Stephen Hills Former CFO and Company Secretary	December 2009 ⁽²⁾	125,176	NIL	NIL	37,884	NIL	37,259	119,457	319,776
	June 2009 ⁽³⁾	272,307	NIL	NIL	90,000	NIL	21,600	NIL	383,907
Chris Els CFO and Company Secretary	December 2009 ⁽²⁾	138,833	NIL	NIL	85,000	NIL	20,100	NIL	243,933
	June 2009 ⁽³⁾	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Raphael Bloise Project Director, Mirabela Mineração Brasil do Ltda	December 2009 ⁽²⁾	228,016	NIL	NIL	662,911	NIL	NIL	NIL	890,927
	June 2009 ⁽³⁾	510,965	NIL	NIL	NIL	NIL	NIL	NIL	510,965
David Chapman Former Operations Manager	December 2009 ⁽²⁾	137,614	NIL	NIL	NIL	NIL	12,385	158,786	308,785
	June 2009 ⁽³⁾	260,000	NIL	NIL	100,000	NIL	23,400	NIL	383,400
Bryan Hyde Managing Director, Santa Rita Project	December 2009 ⁽²⁾	269,884	NIL	732,800	274,876	NIL	NIL	NIL	1,277,560
	June 2009 ⁽³⁾	44,524	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Notes:

- (1) Payments reflected in this column are in respect of statutory superannuation contributions paid for retirement funding purposes.
- (2) December 2009 refers to the financial year beginning July 1, 2009 and ending December 31, 2009.
- (3) June 2009 refers to the financial year beginning July 1, 2008 and ending June 30, 2009.
- (4) Mr Purdy's compensation is paid in a single package and is inclusive for compensation for his activities as a Director.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table discloses the individual outstanding share-based awards and option-based awards outstanding at the end of the most recently completed financial year (including awards granted before the most recently completed financial year) to each NEO.

Named <u>Executive Officer</u>	Option-Based Awards			Share-Based Awards		
	Number of Securities	Option	Option	Value of	Number of share	Market or payout
	underlying unexercised <u>option</u> (#)	exercise <u>price</u> (A\$)	expiration <u>date</u> (date)	unexercised in- the-money <u>options</u> (A\$)	units of shares that have not <u>vested</u> (#)	value of share- based awards that have not <u>vested</u> (A\$)
Nick Poll Former CEO and MD	1,200,000 ⁽¹⁾	5.60	Feb 23, 2011	NIL	NIL	NIL
Ian Purdy CEO and MD	NIL	NIL	NIL	NIL	NIL	NIL
Stephen Hills Former Chief Financial Officer and Company Secretary	NIL	NIL	NIL	NIL	NIL	NIL
Chris Els CFO and Company Secretary	NIL	NIL	NIL	NIL	NIL	NIL
Raphael Bloise Project Director, Mirabela Mineração Brasil do Ltda	200,000 ⁽²⁾	6.20	Jun 30, 2011	NIL	NIL	NIL
David Chapman Former Operations Manager	150,000 ⁽²⁾ 200,000 ⁽³⁾	6.20 0.95	Jun 30, 2011 Apr 30, 2010	NIL NIL	NIL NIL	NIL NIL
Bryan Hyde Managing Director, Santa Rita Project	400,000 ⁽⁴⁾	3.00	Jun 30, 2014	NIL	NIL	NIL

Note:

All options are exercisable for fully paid ordinary shares in the capital of the Company.

- (1) Grant date – 9 August 2007. Options vested upon two years of service .
- (2) Grant date – 9 August 2007. Options vested upon commissioning of the plant at the Santa Rita Project.
- (3) Grant date – 24 April 2006. Options vested upon completion of EPCM contract.
- (4) Grant date – 25 September 2009. Options vested upon two years of service.

Incentive plan awards – value vested or earned during the year

The following table summarizes the aggregate value of incentive plan awards vested or earned during the most recently completed financial year to each NEO.

NEO	Option-based awards – Value vested during the year⁽¹⁾ (A\$)	Share-based awards – Value vested during the year (A\$)	Non-equity incentive plan compensation – Value earned during the year (A\$)
Nick Poll Former CEO and MD	NIL	NIL	NIL
Ian Purdy CEO and MD	NIL	NIL	NIL
Stephen Hills Former CFO and Company Secretary	NIL	NIL	37,844
Chris Els CFO and Company Secretary	NIL	NIL	85,000
Raphael Bloise Project Director, Mirabela Mineração Brasil do Ltda	NIL	NIL	662,911
David Chapman Former Operations Manager	NIL	NIL	NIL
Bryan Hyde Managing Director, Santa Rita Project	NIL	NIL	274,876

Note:

(1) A value is only shown in this column if the unexercised options are vested and in the money. If a value is shown it is calculated by reference to the difference between the share price at vesting date and the exercise price, multiplied by the number of options that are vested and exercisable.

Pension Plan Benefits

The Company does not have a pension plan and has not provided any pension plan benefits, other than statutory superannuation, to its NEOs.

Termination and Change of Control Benefits

Mr Ian Purdy, CEO and MD, entered into an employment contract dated 1 November 2009 with the Company. The contract is unlimited in term but may be terminated upon six months' notice by either party. In the event of a change of control of the Company, Mr Purdy may, at his discretion, terminate his employment and be entitled to a termination payment equal to 6 months' salary. In the event the Company terminates Mr Purdy's employment without cause, Mr Purdy will be entitled to a payment equal to six months' salary.

Mr Chris Els, CFO & Company Secretary entered into an employment contract as CFO with the Company effective 1 August 2009 and was appointed Company Secretary on 7 January 2010. The contract is unlimited by term but may be terminated upon three months' notice by either party. In the event of a change of control of the Company, Mr Els may, at his discretion, terminate his employment and be entitled to a termination payment equal to three months' salary. In the event

the Company terminates Mr Els's employment without cause, Mr Els will be entitled to a payment equal to three months' salary.

Mr Bryan Hyde, Managing Director-Santa Rita Project, entered into a services contract with the Company effective 1 June 2009. The contract has a term of 18 months from commencement date, subject to earlier termination upon three months notice by either party. In the event the Company terminates Mr Hyde's employment without cause, Mr Hyde will be entitled to a payment equal to three months' salary. In the event of a change of control of the Company, the Company will terminate his employment and pay Mr Hyde a termination payment equal to three months' salary which includes all bonuses that have not been paid under Mr Hyde's contract and all unvested options will vest immediately.

The Company has entered into standard protection deeds (the "**Deeds**") with each of its Directors and certain of its Officers which provide for, amongst other things, an indemnity of the Directors and Officers, to the extent permitted by law, against any liability which they may incur while carrying out duties as Directors or Officers of the Company, access to the documents of the Board of the Company and the provision of Directors' and Officer's insurance.

Other than the agreements described above, the Deeds and the payment of Directors' fees (discussed below), for the most recently completed financial year there are no employment contracts or other arrangements in existence between the Company or its subsidiary and any Director or Officer of the Company and there is no arrangement or agreement made between the Company and any of its NEOs pursuant to which a payment or other benefit is to be made or given by way of compensation in the event of that Officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in the NEOs' responsibilities following such a change of control.

Compensation of Directors

The following table sets out all amounts of compensation provided to the directors for the Company's most recently completed financial year:

Director ⁽¹⁾	Fees	Share-	Non-equity			All Other	Total
	Earned	based Awards	Option-based Awards	Incentive Plan Compensation	Pension Value	Compensation	
	(A\$)		(A\$)			(A\$)	(A\$)
Bill Clough	40,000	NIL	NIL	NIL	NIL	NIL	40,000
Craig Burton ⁽²⁾	NIL	NIL	NIL	NIL	NIL	200,000	200,000
Nicholas Sheard	40,000	NIL	NIL	NIL	NIL	NIL	40,000
Joseph Hamilton	40,000	NIL	NIL	NIL	NIL	NIL	40,000
Colin Steyn	12,500	NIL	NIL	NIL	NIL	NIL	12,500

Note:

(1) Information on Mr Purdy's compensation for his activities as a Director is disclosed in the Summary Compensation Table.

(2) Compensation for Mr Burton was paid to a related entity, Verona Capital Pty Ltd.

Narrative Discussion

During the most recently completed financial year, each Non-Executive Director received A\$40,000 for their services as Directors, with the exception of Mr Steyn, who received \$12,500 as prorated compensation for his services as a Director. Total aggregate remuneration payable to non-executive Directors may not exceed \$300,000 per annum. Non-executive directors' base fees are currently \$70,000 per annum and \$5,000 per committee. Generally, directors of the Company do not receive additional amounts for committee participation or special assignments, however should the non-executive

directors provide services in excess of those expected of such a position, the Company will provide reasonable remuneration for those services. There are no other arrangements under which directors were compensated for their services as directors except that during the financial period ended December 31 2009, Mr Burton was paid A\$200,000 for services provided, such as strategic advice including funding, assisting with investor relations and general operational issues.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

The following table discloses the individual outstanding share-based awards and option-based awards outstanding at the end of the most recently completed financial year (including awards granted before the most recently completed financial year) to each director of the Company.

Director	Option-Based Awards				Share-Based Awards		
	Number of Securities underlying unexercised option	Option exercise price	Option expiration date	Value of unexercised in-the-money options	Number of share or units of shares that have not vested	Market or payout value of share-based awards that have not vested	
	(#)	(A\$)	(date)	(A\$)	(#)	(A\$)	
Bill Clough	NIL	NIL	NIL	NIL	NIL	NIL	
Craig Burton	600,000 ⁽¹⁾	5.60	Feb 23, 2011	NIL	NIL	NIL	
Nicholas Sheard	150,000 ⁽²⁾	6.20	Sep 7, 2011	NIL	NIL	NIL	
Joseph Hamilton	150,000 ⁽²⁾	6.20	Sep 7, 2011	NIL	NIL	NIL	
Colin Steyn	NIL	NIL	NIL	NIL	NIL	NIL	

Note: All options are exercisable for fully paid ordinary shares in the capital of the Company.

(1) Grant date – 9 August 2007. Options vested upon two years of service.

(2) Grant date – 30 November 2007. Options vested upon two years of service.

Incentive plan awards – value vested or earned during the year

No incentive plan awards vested or were earned by Directors during the most recently completed financial year.

Statement of Corporate Governance Practices

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators ("**NI 58-101**") requires that the Company make certain disclosure in this Management Information Circular in respect of its corporate governance practices.

Board of Directors

The Board of the Company is currently comprised of six directors, three of whom (a majority) are independent, namely, Messrs. Sheard, Hamilton, and Clough. Mr Purdy, the CEO and MD and Mr Burton, the Chairman of the Board of the Company are not independent as they are both currently executive officers of the Company. Colin Steyn is not considered to be independent due to his association with Lancaster Park SA which holds a 7.14% shareholding in the Company. The independent directors do not hold regularly scheduled meetings at which the non-independent directors and members of management are not in attendance. The Board considers that such meetings are not necessary considering the current size

of the Company and breadth of membership of the Board, and given that the Board promotes generally open and candid discussions among independent directors. However, as required, the independent directors ask that non-independent directors excuse themselves from Board meetings when appropriate. The Board believes that this procedure is appropriate given the size of the Company.

The role and responsibilities of the Chair of the Board are set out in the Board charter attached hereto as **Appendix A**.

The attendance record of the Directors for all meetings of the Board held since the beginning of the Company's most recently completed financial year was as follows.

Director	Type of Meeting	
	Board of Directors	Audit Committee
Craig Burton	6 of 6	N/A
Ian Purdy	2 of 2	N/A
Bill Clough	6 of 6	2 of 2
Joseph Hamilton	5 of 6	1 of 2
Nick Poll	5 of 6	N/A
Nicholas Sheard	5 of 6	2 of 2
Colin Steyn	2 of 2	N/A

Other Directorships

The following directors of the Company are directors of other companies that are reporting issuers or the equivalent in Canada or elsewhere:

Director	Reporting Issuer
Craig Burton	Capital Drilling Ltd
	Matra Petroleum plc
	Everyday Mining Services Ltd
Ian Purdy	Nil
Bill Clough	Serabi Mining plc
Joseph Hamilton	GA Capital Corp
	Malbex Resources Ltd
	Unigold Inc.
Nicholas Sheard	Carpentaria Exploration Ltd
Colin Steyn	Mantra Resources Ltd

Board Mandate

The Board has adopted a written charter, a copy of which is attached as **Appendix A**. Generally speaking, the Board is responsible for the protection and enhancement of long-term shareholder value. To fulfil this role, the Board is responsible for the overall corporate governance of the Company including formulating (with management) its strategic direction, approving and monitoring capital expenditures, setting remuneration, appointing, removing and creating succession policies for directors and executive officers, establishing and monitoring the achievement of management's goals and ensuring the integrity of internal control and management information systems. The Board is also responsible for monitoring financial and other reporting.

Position Descriptions

Other than as set out in the Board charter, the Board has not adopted written position descriptions for the Chairman of the Board on the basis that the role of the Chairman of the Board is well understood by all of the Directors. Similarly, other than as set out in the Board charter, the Board has not adopted a written position description for the Chief Executive Officer, Mr Purdy, on the basis that his role and responsibilities are well understood by him and by the other Directors. The role of chair of the Audit Committee and Remuneration Committee are set out in the respective charter.

Orientation and Continuing Education

The Company does not provide a formal orientation or education program for new directors. However, new directors are educated about the nature and operation of the Company's business, current issues, corporate strategy and the role of the Board, its committees and its directors by the current directors and senior officers. The Board encourages directors to participate in continuing education opportunities in order to ensure that directors maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Company's business.

Ethical Business Conduct

The Board has also adopted a written code for the Company's directors, officers and employees. A copy of the code of conduct is available on the Company's website (www.mirabela.com.au). The Board monitors compliance with the code by requiring management and supervisors to assume responsibility for the conduct of those who report to them.

Directors of the Company must keep the Board advised, on an on-going basis, of any material personal interest in a matter that relates to the affairs of the Company. Where a director has a personal interest in a matter, the director will remove himself from any deliberations regarding the matter to which the conflict relates.

To encourage ethical business practices, with the prior approval of the Chairman or independent directors, each director has the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfil his duties and responsibilities as a director.

Nomination and Compensation of Directors

Given its size, the Board has not yet adopted a formal process for identifying new candidates for nomination. The Board does have a Remuneration and Nomination Committee. The charter of the Remuneration and Nomination Committee requires that all members be independent with the meaning of NI 58-101 and the *ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations*.

The Remuneration and Nomination Committee is responsible for all matters related to director recruitment, orientation, compensation and continuing education and evaluation of the Board, its committees and its members including periodically assessing the skills present on the Board, making recommendations as to whether and how those skills ought to, or could be, enhanced and, when appropriate, implementing a process for the identification of suitable candidates for appointment to the Board.

Other Board Committees

The Board currently has no standing committees other than the Audit Committee, and the Remuneration and Nomination Committee. The information prescribed by Part 5 of Multilateral Instrument 52-110 –*Audit Committees* of the Canadian Securities Administrators, is set out under the heading "Audit Committee" in the Company's Annual Information Form dated 30 March 2010.

Assessments

Although, the Remuneration and Nomination Committee has been delegated responsibility for recommending a process for the evaluation of the Board as a whole, committees of the Board and its individual members, given the size of the



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Company, assessments of the Board, its committees and its Directors continue to be carried out periodically on an informal basis. To date, given the small size of the Board and the frequency with which its meetings are held, neither the Board nor the Remuneration and Nomination Committee has found it necessary to institute any formal process in order to satisfy itself that the Board, its committees and its individual Directors are performing effectively.

Interest of Certain Persons or Companies in Material Transactions

No informed person or any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has a material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction that has materially affected or would materially affect the Company or any of subsidiaries.

Interest of Certain Persons or Companies in Matters to be Acted Upon

Other than the election of a particular director in which such nominee has an interest, no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, the proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has a material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in the matters to be acted upon at the Meeting.

Auditors

The auditor of the Company is KPMG. KPMG was first appointed as auditor of the Company on 23 February 2005.

Additional Information

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year. The Company will provide to any person, upon request to the Company Secretary, a copy of the Company's 2009 Annual Report which includes the financial statements of the Company for the most recently completed financial year and the audit opinion issued thereon and/or one copy of the Company's MD&A in respect of such financial year.

Also for information regarding the Company's audit committee as prescribed by National Instrument 52-110 – Audit Committees please see the section so entitled in the Company's annual information form dated March 31, 2010.

Copies of the above document will be provided free of charge to Shareholders. The Company may require the payment of a reasonable charge by any person or company who is not a Shareholder of the Company, and who requests a copy of such document. Additional information relating to the Company can be found at www.asx.com.au or at www.sedar.com.

Shareholders can contact Chris Els, Company Secretary, at +61 (08) 9324 1177 if they have any queries in respect of the matters set out in these documents.

APPROVAL OF THIS EXPLANATORY MEMORANDUM AND MANAGEMENT INFORMATION CIRCULAR

The contents and the sending of this Explanatory Memorandum and Management Information Circular have been approved by the Directors of the Company.

By order of the Board of Directors

Mr Chris Els

Company Secretary

Dated: 21 April 2010

APPENDIX A

BOARD CHARTER

The Board of Directors (**Board**) of Mirabela Nickel Limited (**Company**) considers that the essential responsibility of directors is to oversee the Company's activities for the benefit of its shareholders, employees and other stakeholders and to protect and enhance shareholder value.

A. ROLE, COMPOSITION, ADMINISTRATION AND RESPONSIBILITIES

1. Purpose and Role

The primary role of the Board is the protection and enhancement of long-term shareholder value.

2. Composition

There shall be a minimum of three directors.

The chairperson and managing director roles should not be exercised by the same person.

The Board shall comprise a majority of directors who qualify as independent directors, under applicable law, and directors with an appropriate mix of skills, experience and expertise.

3. Orientation of New Directors

Each director appointed to the Board shall be provided with a package of comprehensive information on the Company, the responsibilities of a Board member and the Company's governance practices.

Each director appointed to the Board shall have the opportunity to meet with management of the Company to gain an understanding of the operating and strategic issues facing the Company, and the business environment in which it operates.

Each director is encouraged to take courses and seminars, at the expense of the Company, that focus on the development of the skills and knowledge required to be an effective director.

4. Access to Information and Independent Advice

Directors have access to any information they consider necessary to fulfil their responsibilities and to exercise independent judgment when making decisions.

Directors have access to management to seek explanations and information from management and auditors, both internal and external, to seek explanations and information from them without management being present.

Any director may, subject to discussion and agreement with the other independent directors or the Chairman, request the engagement of an outside adviser (at the Company's expense) for independent professional advice they consider necessary to fulfil their responsibilities.

5. Responsibilities

The Board assumes responsibility for the stewardship of the Company and the overall direction, management and corporate governance of the Company. The Board is also responsible for:

- a) overseeing the management and overall corporate governance of the Company including its strategic direction;
- b) adopting a strategic planning process, contributing to the development of, and approving on an annual basis, a strategic plan that reflects the opportunities and risks of the Company's business;
- c) appointing, and, if necessary, removing senior management such as the managing director and chief financial officer;

- d) monitoring and assessing the performance of senior management, including performance objectives and the implementation of the Company's strategic plan, ensuring appropriate resources are available to senior management and that they are adequately experienced and trained;
- e) reviewing succession planning issues for senior management;
- f) to the extent feasible, satisfying itself as to the integrity of the managing director and other members of senior management and that such persons create a culture of integrity throughout the Company;
- g) reviewing and approving the Company's business plans, annual budget and financial plans including major capital expenditure initiatives;
- h) overseeing and monitoring the Company's organisational performance and the achievement of strategic goals and objectives;
- i) monitoring and ensuring compliance with legal and regulatory requirements and the Company's code of conduct;
- j) developing the Company's approach to corporate governance including developing a set of corporate governance principles and guidelines;
- k) approving and monitoring the progress of major capital expenditures and other corporate projects including acquisitions, mergers and divestitures including the issue of any securities;
- l) monitoring financial performance and reporting including approval of the annual, half yearly and quarterly reports;
- m) reviewing and approving processes for the identification, assessment, reporting and management of risks (including internal control and management information systems) and the maintenance and monitoring of these processes;
- n) enhancing and protecting the Company's reputation;
- o) approving and monitoring financial and other reporting;
- p) approving procedures for communicating with shareholders, stakeholders, analysts and other significant interested parties; and
- q) approving charters of Board committees.

6. Meetings

The Board shall meet at least six times per annum. Additional meetings will be convened as circumstances warrant.

Directors are expected to attend meetings of the Board and its committees on which they serve and to spend the time needed to properly discharge their duties and responsibilities and review meeting materials before Board meetings and meetings of committees on which they serve.

An agenda will be prepared by the Managing Director and the independent directors for each Board and committee meeting.

Directors are encouraged to ask questions of, request information from, and raise any issue of concern with management. Senior executive officers will be regularly involved in Board discussions.

7. Conflicts

Directors must disclose to the Board, and thereafter keep the Board advised on an ongoing basis, of any actual or potential conflict of interest or duty as soon as the situation arises.

If a conflict exists, it is expected that any director to whom the conflict relates will remove him or herself from any deliberations regarding the matter to which the conflict relates.

Directors are expected to inform the Chairman of any proposed appointment to the board or executive of another public company as soon as possible.

8. Review of Board Performance

After consideration the recommendations of the remuneration and compensation committee thereon, the Board will review its effectiveness and that of its committees and the contribution of individual directors.

After consideration the recommendations of the remuneration and compensation committee thereon the Board will determine the manner and form of the performance review.

The Board will, at least once in each financial year, review this Charter, and make any amendments it determines to be necessary and desirable.

B. THE BOARD AND MANAGEMENT

1. Delegation to the Managing Director

Responsibility for the day-to-day management of the Company is delegated by the Board to the managing director, who is accountable to the Board.

The managing director will manage the Company in accordance with the strategy, plans and policies approved by the Board.

The Board has determined that the managing director is appropriately qualified and experienced to discharge the required responsibilities.

The Board has in place procedures to assess the performance of the managing director.

2. Separation of Function between Chairman and Managing Director

The roles of the chairman and managing director must be separate.

3. Role and Responsibilities of Chairman

The chairman of the Board is appointed by the directors.

The chairman will be an independent director.

The chairman is responsible for:

- a) chairing Board meetings and general meetings;
- b) providing leadership to the Board and the Company;
- c) ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and individual directors and that such evaluations are conducted;
- d) facilitating effective discussions at Board meetings; and
- e) overseeing shareholder communications.

4. Responsibilities of Managing Director

The managing director is responsible for:

- a) managing the business of the Company to ensure ongoing viability and integrity;
- b) developing with the Board, then implementing and monitoring strategic plans for the Company;
- c) developing, implementing and monitoring annual budgets, business plans and financial plans;
- d) implementing and monitoring all major capital expenditures, and other corporate projects including acquisitions, mergers and divestitures, including the issue of any securities;



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- e) developing and approving all material reporting and external communications by the Company;
- f) acting as the primary channel of communication between senior management and the Board;
- g) developing strategies for the development of the Company's mineral assets and, at the direction of the Board, overseeing the development of such assets;
- h) developing and ensuring that appropriate systems and processes for the identification, assessment reporting and management of risks (including internal control and management information systems) are implemented, maintained and monitored and that these systems and processes are effective;
- i) promoting and marketing the Company to investors;
- j) advising the Board in relation to all relevant issues affecting the Company and its operational and financial performance;
- k) establishing the agenda for Board meetings, in consultation with the independent directors;
- l) ensuring the proper implementation of the Company's policies, procedures and systems; and
- m) otherwise carrying out the day-to-day management of the Company.



MIRABELA NICKEL LTD

ABN 23 108 161 593

FORM OF PROXY

This proxy is solicited on behalf of the management of Mirabela Nickel Limited ABN 23 108 161 593 (the "Company") for use at the meeting of the shareholders of the Company to be held at Level 31 Allendale Square, Perth, 77 St Georges Terrace, Perth WA 6000 on 27 May 2010 at 11.00 a.m. (Perth time) or any adjournment thereof (the "Meeting").

I/We [] being a shareholder of the Company and entitled to attend, act and vote at the Meeting hereby appoints:

The Chairman of the Meeting (mark with an "X") [] OR [] First Proxy If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate you are appointing as your first proxy.

AND [] Second Proxy If you are not appointing the Chairman of the Meeting as your proxy and you are appointing two proxies, please write here the full name or body corporate you are appointing as your second proxy.

Or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions at the Meeting and at any adjournment of that meeting.

If you leave the section above blank, the Chairman of the Meeting will be your proxy.

If you have not appointed the Chairman of the Meeting as your proxy and you are appointing a second proxy please complete the following: Proxy 1 is appointed to represent _____% of my voting right and Proxy 2 is appointed to represent _____% of my total votes. My total voting right is _____ shares. Note: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

With respect to any amendment or variations to the matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting, I/we confer discretionary authority on the person voting on behalf of me/us to vote as that person sees fit.

If you wish to indicate how your proxy is to vote, please tick the appropriate places below.

Table with 4 columns: Resolution, Description, FOR, AGAINST, ABSTAIN. Rows include Adoption of Remuneration Report, Election of Colin Steyn as a Director, Re-election of Nicholas Sheard as a Director, and Re-election of Craig Burton as a Director.

OR If you do not wish to direct your proxy how to vote, please place a mark in the box. If you do not either mark the boxes directing your proxy how to vote or mark the box indicating that you do not wish to direct your proxy how to vote, this appointment of proxy form will be disregarded. By marking this box you acknowledge that, if you have appointed the Chairman as your proxy, the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution. The Chairman intends to vote in the affirmative for all resolutions in relation to undirected proxies.

